

C O N F I D E N T I A L SECTION 01 OF 03 ABUJA 001365

SIPDIS

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TAGS: [PGOV](#) [PINR](#) [ECON](#) [NT](#)

SUBJECT: OBASANJO DROPS FOUR MINISTERS, FOUR SENIOR ADVISORS

REF: A. ABUJA 1312

[1](#)B. ABUJA 0201

Classified by Ambassador Howard F. Jeter, reasons 1.5(B/D)

Summary

[11.](#) (C) On June 12, President Obasanjo dropped four Ministers and four Senior Advisors from his Administration, one spokesman framing the changes in terms of "accountability, performance, and integrity." So far, three replacements have been named for the Ministers, none for the Advisors. It appears that two Ministers fell due to on-going feuds with their home state Governors, the two others due to lack of performance. Similarly, two advisors fell for poor performance, one for tensions with his Governor, and one for medical reasons. Overall, the changes represent a modest repositioning of the Administration's focus on delivering real benefits to Nigerians, and replacing those who threaten harmonious relations with state executives essential to re-election bids in 2003. End Summary.

[12.](#) (U) On June 12, in a surprise evening statement issued by the Secretary to the Government of the Federation, Ufot Ekaette, the Obasanjo Administration announced that four Ministers and four Senior Advisors had been dropped: Minister of Water Resources Col. (Ret.) Mohammed Kaliel; Minister of Communications Mohammed Arzika; Minister of State for the Federal Capital Territory Solomon Ewuga; Minister of State for Power and Steel Danjuma Goje; Special Advisor for Economic Affairs Phillip Asiodu; Special Advisor for International Relations Dr. Patrick Dele-Cole; Senior Special Assistant for Drugs and Financial Crimes Dr. Ibrahim Lame, and Special Assistant for Special Duties Dr. Bukola Saraki.

Three Dropped for Feuding

[13.](#) (C) Several sources within the Presidency confirmed to us the dismissal from the Administration of officials who had been quarreling with their home state Governors, a notable offense in contemporary Nigerian politics, even where the Governor in question is of an opposition political party. According to Minister of Information Jerry Gana, who met with Poloff June 14, both Ministers of State, Solomon Ewuga and Danjuma Goje, fell due to on-going disputes with their Governors (Abdullahi Adamu of Nassarawa (PDP) and Abubakar Hashidu of Gombe (APP), respectively). Gana noted that he had personally tried to intercede several times in Nassarawa, considering both men to be "friends," but had not succeeded in reconciling them. Ewuga had been elected as Deputy Governor under Adamu under the banner of the ruling People's Democratic Party in 1999, and the two men had "fought" continually ever since, Gana noted. He also briefly noted that Goje had very sour relations with the Gombe State Governor, a member of the opposition All People's Democratic Party. Among the Advisors, Gana named Dr. Lame as one guilty of quite poor relations with Governor Adamu Mu'azu of Bauchi State (PDP). A senior Presidency official made similar comments to DCM the evening of June 13, saying that Obasanjo had twice admonished Ministers to "respect the Governors' executive authority." Said Gana, summing up the nature of the offense: "Governors have a stronger voice." (Comment: Several APP Governors-elect, including Hashidu of Gombe, quietly swung their states behind Obasanjo in the 1999 Presidential elections. End Comment).

Four Canned for Poor Performance

[14.](#) (C) Gana cited Minister Kaliel of Water Resources and Minister Arzika of Communications for particularly poor performance (Adobe Obe, Special Assistant to President Obasanjo, echoed this assessment in a separate conversation). He noted that the President, and indeed the entire Federal Executive Council (the Nigerian Cabinet) had been incensed at the lack of any real progress on water projects nation-wide from the Federal Government. "The State Governments are delivering," said Gana, "but we do nothing." Two months ago, said Gana, the President delivered an ultimatum to Kaliel: show results on the ground or face dismissal. The earlier pledge by the Obasanjo Administration to complete at least

two borehole projects in each of the nation's 774 local government councils would be the test. Said Gana, "they did little or nothing since then."

**15.** (C) Alluding to rampant corruption in the Ministry, Gana then said that "they exercised very poor oversight," and "fell in with the wrong crowd of contractors." Many contracts went no further than the collection of "mobilization fees" by contractors, who took the start-up money and "disappeared." Gana also briefly noted that Arzika had never made any progress in updating the nation's telecommunications infrastructure (sources at the Central Bank also told Econoff June 14 that he resolutely opposed privatization of NITEL, the telephone parastatal). Gana put the failings of the two Ministers this way: "Lights, phones, water; those three things we must do. The guys at Power and Steel are making some progress. These guys did not."

**16.** (C) Gana then commented briefly on the performance of Phillip Asiodu. Agreeing that Asiodu had been warring with the office of the Vice President for months, he said Asiodu was "out of touch, out of date, unable to keep up." Former Chief of Staff to Asiodu, Chief Akindele, told Poloff June 13 that Asiodu's dismissal had been pending for several months, and that the "friction" with the Vice President had never been dealt with properly. "Asiodu did not manage his relationship with the Vice President." Akindele also noted that "the Vice President's office duplicated everything we were doing," leaving little independence to Asiodu's operations. (Comment: The Office of the Vice President has broad supervisory authority on privatization and deregulation efforts, in conjunction with the Bureau of Public Enterprises (BPE). End Comment). Akindele, who resigned two months ago, said that, "the President told me himself when I left that he would fire Asiodu soon." Econoff received similar messages from Akindele and BPE's Nasir Al-Rufai in recent weeks. In fact, at one point, Econoff was asked by advisors to both Asiodu and the Vice President to "back" their principals for the lead on bilateral economic relations with the USG.

**17.** (C) Similarly, Special Assistant Bukola Saraki, Gana said, had been dismissed for performance well below that expected by the President. Gana said Saraki (son of APP power-broker Olusola Saraki) had formed part of a "crack" intelligence unit within the Presidency, a unit intended to be "the eyes and ears" of the President, focusing on field oversight of Ministerial performance. The President wanted to be able to puncture the performance claims of Ministers with his own gimlet-eyed reports on their supposed achievements, but the unit "mainly stayed in the office," and never functioned as intended, Gana said.

#### One Dropped for Health Reasons

**18.** (C) Gana said that Special Advisor for International Affairs Dr. Patrick Dele-Cole was the one official dropped for purely personal reasons, due to his failing health. Dele Cole (long known to be exhausted by the long hours and fast pace in the immediate vicinity of the President) had developed an embarrassing tendency to drift off to sleep in meetings with foreign Heads of State. Chairman of the House Committee on Foreign Affairs Adamu Bulkachuwa also mentioned this to Poloff June 13. (From our own experience, Dele-Cole fell into a noisy slumber in four separate meetings during Obasanjo's recent Washington visit, to the palpably deep embarrassment of his Nigerian colleagues). Gana said Dele-Cole needed surgery for the condition, which involved an inability to sleep when prostrate. "Some sort of nasal blockage," Gana said.

#### The Time for Plans is Over: We Need Results

**19.** (C) Gana finished by saying that hard work, good plans and the best of intentions on the part of Ministers and Advisors were no longer enough. "We need results." The President and others in the Administration were keenly aware that Nigerians wanted to see their lives getting better "now." What they see, he said candidly, is "high prices, gas lines, no water." Gana suggested that the present changes in the Administration's personnel would likely "not be the only ones," as the President was determined to find the "right mix" and "make things happen."

#### Three Replacements Named

**10.** (C) The Obasanjo team submitted three nominations for the four vacated Ministerial posts, former Customs Controller General Bello Mohammed, former Sokoto Attorney General Mukhtari Shagari (son of former Head of State Shehu Shagari) and businessman Murtala Aliyu. They will likely replace Arzika at Communications, Kaliel at Water Resources and Goje at Power and Steel, respectively (in Nigerian practice,

nominations are never made for particular positions, but the usual protocol is to replace one state's failed Minister with a resident of the same state). No nominations have yet been submitted for the Advisor positions (the Special Advisor positions also require Senate confirmation). In conversations with DCM June 13, Senate President Anyim Pius Anyim said that no Minister of State would be nominated for the FCT, as the senior Minister, Abba-Gana, would be given time to "make his mark" on his own (he has been in office since the last Cabinet shake-up in February. Reftel).

Comment

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¶11. (C) The Obasanjo Administration's small Cabinet shake-up reflects a growing realization that measurable results are increasingly important as it begins its third year in office, an imperative we highlighted in our review of the Administration's first two years, Ref A. Nasir Al-Rufai previously identified Asiodu and Arzika to us as two of the five ministers most opposed to privatization; we may now see a modest quickening of the move toward privatized state entities. Dropping Ministers and others who clash with their home state Governors also reflects the premium value Obasanjo places on good relations with the nation's 36 state Governors, who are now real players on the national political scene, and a growing political phenomenon. The Governors' good wishes (or at least tolerance) are essential to any Presidential nominee's chances in 2003.

¶12. (C) Comment Continued. Unfortunately, geo-political balancing requires that state and regional interests often take precedence over acumen and experience: we will now likely have a lawyer at Water Resources, a retired Customs official at Communications, and a businessman at Power and Steel (this last making the most sense to us in terms of actual experience). The need for results once again conflicts at least in part with the need to shore up political support and maintain the carefully negotiated parceling out of senior government positions. Real progress for average Nigerians may not be the result. End Comment.

Jeter